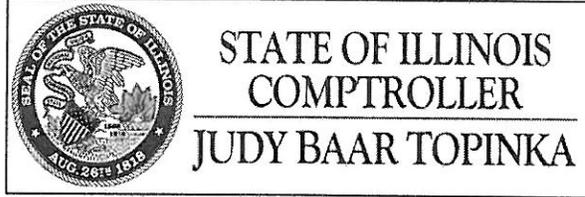


**FY 2011  
ANNUAL TAX INCREMENT FINANCE  
REPORT**



Name of Municipality: Moline Reporting Fiscal Year: **2011**  
 County: Rock Island Fiscal Year End: **12/31/2011**  
 Unit Code: 081-050-30

**TIF Administrator Contact Information**

First Name: Patrick Last Name: Burke  
 Address: 619 16th Street Title: Economic Development Manager  
 Telephone: 309-524-2034 City: Moline Zip: 61265  
 E-Mail: pburke@moline.il.us

I attest to the best of my knowledge, this report of the redevelopment project areas in: City/Village of Moline is complete and accurate at the end of this reporting Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.].  
Patrick Burke 6/19/12  
 Written signature of TIF Administrator Date

**Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)\*)**

| FILL OUT ONE FOR EACH TIF DISTRICT |                 |                 |
|------------------------------------|-----------------|-----------------|
| Name of Redevelopment Project Area | Date Designated | Date Terminated |
| TIF #1 Downtown                    | 12/16/1986      |                 |
| TIF #2 One Moline Place            | 10/27/1998      |                 |
| TIF #3 Old Moline High School      | 4/13/2004       |                 |
| TIF #4 Autumn Trails               | 9/27/2005       |                 |
| TIF #5 KONE Centre                 | 2/10/2009       |                 |
| TIF #6 Moline Place Phase II & III | 2/9/2010        |                 |
| TIF #7 Moline Business Park        | 6/21/2011       |                 |
|                                    |                 |                 |
|                                    |                 |                 |
|                                    |                 |                 |
|                                    |                 |                 |
|                                    |                 |                 |
|                                    |                 |                 |
|                                    |                 |                 |
|                                    |                 |                 |
|                                    |                 |                 |
|                                    |                 |                 |
|                                    |                 |                 |
|                                    |                 |                 |

\*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

**SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]**

|   |  |
|---|--|
| <b>Name of Redevelopment Project Area:</b>  | One Moline Place   |
| <b>Primary Use of Redevelopment Project Area*:</b>  | Residential  |
| <b>If "Combination/Mixed" List Component Types:</b>   |  |
| <b>Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):</b> |  |
| <b>Tax Increment Allocation Redevelopment Act</b> <input checked="" type="checkbox"/>                             | <b>Industrial Jobs Recovery Law</b> <input type="checkbox"/> |

|   | No | Yes |
|---|----|-----|
| Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)]<br><b>If yes, please enclose the amendment labeled Attachment A</b>  | X  |     |
| Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)]<br><b>Please enclose the CEO Certification labeled Attachment B</b>  |    | X   |
| Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)]<br><b>Please enclose the Legal Counsel Opinion labeled Attachment C</b>  |    | X   |
| Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)]<br><b>If yes, please enclose the Activities Statement labeled Attachment D</b>                   |    | X   |
| Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)]<br><b>If yes, please enclose the Agreement(s) labeled Attachment E</b>   | X  |     |
| Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)]<br><b>If yes, please enclose the Additional Information labeled Attachment F</b>   | X  |     |
| Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)]<br><b>If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G</b>           | X  |     |
| Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)]<br><b>If yes, please enclose the Joint Review Board Report labeled Attachment H</b>   |    | X   |
| Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)]<br><b>If yes, please enclose the Official Statement labeled Attachment I</b>  | X  |     |
| Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)]<br><b>If yes, please enclose the Analysis labeled Attachment J</b>   | X  |     |
| Cumulatively, have deposits equal or greater than \$100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2)<br><b>If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K</b>  |    | X   |
| Cumulatively, have deposits of incremental revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)]<br><b>If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L</b>   |    | X   |
| A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)]<br><b>If yes, please enclose list only of the intergovernmental agreements labeled Attachment M</b> |    | X   |

\* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

**SECTION 3.1 - (65 ILCS 5/1-74.4-5 (d) (5) and 65 ILCS 5/1-74.6-22 (d) (5))**  
**Provide an analysis of the special tax allocation fund.**

| Reporting Year | Cumulative |
|----------------|------------|
|----------------|------------|

Fund Balance at Beginning of Reporting Period \$ (669,000)

**Revenue/Cash Receipts Deposited in Fund During Reporting FY:**

|   |            |            | % of Total |
|---|------------|------------|------------|
| Property Tax Increment  | \$ 194,006 | \$ 949,703 | 95%        |
| State Sales Tax Increment   |            |            | 0%         |
| Local Sales Tax Increment   |            |            | 0%         |
| State Utility Tax Increment   |            |            | 0%         |
| Local Utility Tax Increment   |            |            | 0%         |
| Interest  | \$ 34      | \$ 51,011  | 5%         |
| Land/Building Sale Proceeds   |            |            | 0%         |
| Bond Proceeds   |            |            | 0%         |
| Transfers from Municipal Sources  |            |            | 0%         |
| Private Sources   |            |            | 0%         |
| Other (Identify source _____; if multiple other sources, attach schedule) |            |            | 0%         |

**Total Amount Deposited in Special Tax Allocation Fund During Reporting Period** \$ 194,040

**Cumulative Total Revenues/Cash Receipts** \$ 1,000,714 100%

**Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)** \$ 2,735,192

**Distribution of Surplus** \$

**Total Expenditures/Disbursements** \$ 2,735,192

**NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS** \$ (2,541,152)

**FUND BALANCE, END OF REPORTING PERIOD** \$ (3,210,152)

- if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3















**SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]**

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

X  No property was acquired by the Municipality Within the Redevelopment Project Area

**Property Acquired by the Municipality Within the Redevelopment Project Area**

|  |  |
|--|--|
| Property (1):                                |  |
| Street address:                              |  |
| Approximate size or description of property: |  |
| Purchase price:                              |  |
| Seller of property:                          |  |

|  |  |
|--|--|
| Property (2):                                |  |
| Street address:                              |  |
| Approximate size or description of property: |  |
| Purchase price:                              |  |
| Seller of property:                          |  |

|  |  |
|--|--|
| Property (3):                                |  |
| Street address:                              |  |
| Approximate size or description of property: |  |
| Purchase price:                              |  |
| Seller of property:                          |  |

|  |  |
|--|--|
| Property (4):                                |  |
| Street address:                              |  |
| Approximate size or description of property: |  |
| Purchase price:                              |  |
| Seller of property:                          |  |

**SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)**  
 Please include a brief description of each project.

\_\_\_\_\_ **No Projects Were Undertaken by the Municipality Within the Redevelopment Project Area**

| 11/1/99 to Date | Estimated Investment for Subsequent Fiscal Year | Total Estimated to Complete Project |
|-----------------|---|-------------------------------------|
|-----------------|---|-------------------------------------|

|  |      |               |
|--|------|---------------|
| <b>TOTAL:</b>                                    |      |               |
| Private Investment Undertaken (See Instructions) | \$ - | \$ 12,000,000 |
| Public Investment Undertaken                     | \$ - | \$ 2,400,000  |
| Ratio of Private/Public Investment               | 0    | 5             |

|  |   |               |
|--|---|---------------|
| <b>Project 1:</b>                                |   |               |
| Private Investment Undertaken (See Instructions) |   | \$ 12,000,000 |
| Public Investment Undertaken                     |   | \$ 2,400,000  |
| Ratio of Private/Public Investment               | 0 | 5             |

|  |   |   |
|--|---|---|
| <b>Project 2:</b>                                |   |   |
| Private Investment Undertaken (See Instructions) |   |   |
| Public Investment Undertaken                     |   |   |
| Ratio of Private/Public Investment               | 0 | 0 |

|  |   |   |
|--|---|---|
| <b>Project 3:</b>                                |   |   |
| Private Investment Undertaken (See Instructions) |   |   |
| Public Investment Undertaken                     |   |   |
| Ratio of Private/Public Investment               | 0 | 0 |

**Project 4:** \_\_\_\_\_

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois.

**SECTION 6**

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

| Year redevelopment project area was designated | Base EAV | Reporting Fiscal Year EAV |
|--|----------|---------------------------|
| 1998   | 34,809   | 2,355,135                 |

List all overlapping tax districts in the redevelopment project area.  
If overlapping taxing district received a surplus, list the surplus.

The overlapping taxing districts did not receive a surplus.

| Overlapping Taxing District                       | Surplus Distributed from redevelopment project area to overlapping districts |
|---|--|
| Rock Island County                                | \$ -   |
| Moline Township                                   | \$ -   |
| City of Moline                                    | \$ -   |
| Moline School District # 40                       | \$ -   |
| Metropolitan Airport Authority                    | \$ -   |
| Black Hawk College                                | \$ -   |
| Rock Island County Metropolitan Transit Authority | \$ -   |
|   | \$ -   |
|   | \$ -   |
|   | \$ -   |
|   | \$ -   |
|   | \$ -   |
|   | \$ -   |
|   | \$ -   |
|   | \$ -   |
|   | \$ -   |

**SECTION 7**

Provide information about job creation and retention

| Number of Jobs Retained | Number of Jobs Created | Description and Type (Temporary or Permanent) of Jobs | Total Salaries Paid |
|-------------------------|------------------------|---|---------------------|
|                         |                        |   | \$ -                |
|                         |                        |   | \$ -                |
|                         |                        |   | \$ -                |
|                         |                        |   | \$ -                |
|                         |                        |   | \$ -                |
|                         |                        |   | \$ -                |
|                         |                        |   | \$ -                |

**SECTION 8**

Provide a general description of the redevelopment project area using only major boundaries:

|  |
|--|
|  |
|--|

| Optional Documents                              | Enclosed |
|---|----------|
| Legal description of redevelopment project area | No       |
| Map of District                                 | Yes      |

ATTACHMENT B

TIF 1 - 7  
Certification of Chief Executive Officer

I, Donald P. Welvaert, am the duly elected Chief Executive Officer of the City of Moline, County of Rock Island, State of Illinois, and as such do hereby certify that the City of Moline has complied with all requirements pertaining to the Tax Increment Financing Redevelopment Act during fiscal year 2011 (January 1<sup>st</sup> - December 31<sup>st</sup>).

7/9/12  
Date

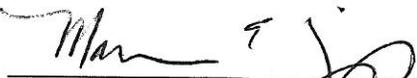
Donald P. Welvaert  
Donald P. Welvaert, Mayor

TIF 1 - 7  
OPINION OF LEGAL COUNSEL

I, Maureen Riggs, am the City Attorney for the City of Moline, Illinois.

I have received all information provided to me by the city administration, and based on that information, I believe that the City of Moline has conformed to all applicable requirements of the Tax Increment Redevelopment Allocation Act (found generally at 65 ILCD 5/11-74.4-1, et seq) set forth there under to the best of my knowledge and belief for fiscal year 2011 (January 1<sup>st</sup> - December 31<sup>st</sup>).

7.6.12  
Date

  
Maureen Riggs, City Attorney

**ATTACHMENT D**

**TIF 2**  
**ACTIVITIES STATEMENT**

When TIF 2 was amended in order to create TIF 6, TIF 2 inadvertently lost its contiguity. The City will need to clarify the boundaries of TIFs 2 and 6.

Governor Quinn signed PA 97-0635 December 16 extending TIF 2 12 years.

## ATTACHMENT H

### Joint Review Board Meeting

**TIF 1-6 Review for 2010  
Committee-of-the- Whole  
October 21, 2011 9:00 AM  
Minutes**

Present:

Janet Mathis (Renew Moline)  
Dave McDermott (Moline School District #40)  
Jeff Nelson (MetroLINK)  
Patrick Burke (City of Moline)

Patrick Burke reviewed the 2010 financial status and activity for each TIF district. TIF #1 had a fund balance deficit of \$6,630,469. The total itemized expenditures were \$3,889,440. Debt obligations were \$27,724,865. The base EAV in 1986 was \$27,361,607. The 2010 EAV was \$50,300,852.

TIF #2 fund balance deficit was \$566,866. The total itemized expenditures were \$239,050. Debt obligations were \$2,383,384. The base EAV in 1998 was \$49,818. The 2010 EAV was \$2,381,334.

TIF #3 fund balance was \$1,139. The total itemized expenditures were \$60,912. There were no debt obligations. The base EAV in 2004 was \$376,088. The 2010 EAV was \$945,397.

TIF #4 fund balance was \$133,828. The total itemized expenditures were \$145,588. There were no debt obligations. The base EAV in 2005 was \$101,494. The EAV in 2010 was \$2,399,374. The EAV declined \$145,966 from the previous year.

TIF #5 fund balance deficit was \$1,405. The total itemized expenditures were \$1,405.

TIF #6 was created February 9. Its fund balance deficit was \$35,221. The total itemized expenditures were \$6,204.

TIF projects were discussed.

TIF 1

Bids for the architectural and engineering for the Amtrak station and building will be released November, 2011. Funding for high speed rail to Moline has been decoupled from the Iowa portion. Passenger rail service to Chicago is scheduled for 2014.

Washington Square Apartments should be finished by January, 2012. It will provide 7 market rate units and three low income units.

Enterprise Lofts should begin leasing by December, 2011 with move in by January, 2012. It is a \$12 million, 69 unit low income housing project.

Western Illinois University will begin classes in January, 2012 for the School of Engineering and the School of Business Technology. At the ribbon cutting, WIU would like to announce phase II – a five building, \$43 million project. Construction of the access road will begin in the spring of 2012.

#### TIF 2

The local approval for extending the TIF 12 years occurred. The state legislature still has to approve the extension.

#### TIF 5

The core and shell of the tower should be complete by June, 2012. KONE will complete interior build out by December, 2012. Footings for the parking deck began October, 2011.

#### TIF 6

The demolition of the former nurses' dorm occurred December, 2010. The city continues to discuss opportunities with developers.

TIF 1 - 7  
AUDITED FINANCIAL STATEMENTS

City of Moline, Illinois

**Balance Sheet**  
**Governmental Funds**  
**December 31, 2011**

| Assets   | Primary Government   |                     |                               |                     |
|--|----------------------|---------------------|-------------------------------|---------------------|
|  | General              | Park                | Tax Increment<br>Financing #1 | Debt Service        |
| Cash and cash equivalents  | \$ 745,276           | \$ 381,626          | \$ -                          | \$ 1,100,634        |
| Restricted cash and cash equivalents                             | -                    | -                   | -                             | -                   |
| Investments  | 4,840,420            | -                   | -                             | -                   |
| Receivables:   |                      |                     |                               |                     |
| Property taxes   | 9,450,552            | 2,715,036           | 3,214,782                     | -                   |
| Accounts, net of allowance for<br>collection losses of \$116,454 | 1,778,120            | 30,276              | 2,500                         | -                   |
| Accrued interest   | -                    | -                   | 1,442                         | -                   |
| Loans  | -                    | -                   | 916,900                       | 6,556,760           |
| Other taxes  | 5,360,364            | -                   | 68,922                        | -                   |
| Due from other governmental units                                | 116,218              | 36,468              | 587,690                       | -                   |
| Due from other funds   | 1,611,896            | -                   | -                             | -                   |
| Inventories  | 12,504               | -                   | -                             | -                   |
| Prepaid items  | -                    | 18,462              | -                             | -                   |
| Interfund advances   | 4,018,818            | -                   | -                             | -                   |
| <b>Total assets</b>  | <b>\$ 27,934,168</b> | <b>\$ 3,181,868</b> | <b>\$ 4,792,236</b>           | <b>\$ 7,657,394</b> |
| <b>Liabilities and Fund Balances (Deficits)</b>                  |                      |                     |                               |                     |
| Liabilities:   |                      |                     |                               |                     |
| Accounts payable   | \$ 404,914           | \$ 86,814           | \$ 11,978                     | \$ -                |
| Accrued expenses   | 783,158              | 22,234              | 7,226                         | -                   |
| Due to other funds   | 250                  | -                   | 4,418,888                     | -                   |
| Due to other governments   | -                    | -                   | 50,000                        | -                   |
| Deferred and unearned revenue                                    | 11,668,438           | 2,612,266           | 4,304,836                     | -                   |
| Deposits   | 65,080               | 700                 | -                             | -                   |
| Line of credit   | -                    | -                   | -                             | 6,556,760           |
| Interfund advances   | -                    | -                   | 4,018,818                     | -                   |
| <b>Total liabilities</b>   | <b>12,921,840</b>    | <b>2,722,014</b>    | <b>12,811,746</b>             | <b>6,556,760</b>    |
| Fund balances (deficits):  |                      |                     |                               |                     |
| Nonspendable   | 4,031,322            | 18,462              | -                             | -                   |
| Restricted   | 345,609              | 441,392             | -                             | 1,100,634           |
| Committed  | -                    | -                   | -                             | -                   |
| Assigned   | -                    | -                   | -                             | -                   |
| Unassigned   | 10,635,397           | -                   | (8,019,510)                   | -                   |
| <b>Total fund balances (deficits)</b>                            | <b>15,012,328</b>    | <b>459,854</b>      | <b>(8,019,510)</b>            | <b>1,100,634</b>    |
| <b>Total liabilities and<br/>fund balances</b>                   | <b>\$ 27,934,168</b> | <b>\$ 3,181,868</b> | <b>\$ 4,792,236</b>           | <b>\$ 7,657,394</b> |

See Notes to Basic Financial Statements.

City of Moline, Illinois

**Statement of Revenues, Expenditures and Changes In Fund Balances (Deficits)  
Governmental Funds  
Year Ended December 31, 2011**

|  | Primary Government |                  |                               |                    |
|--|--------------------|------------------|-------------------------------|--------------------|
|  | General            | Park             | Tax Increment<br>Financing #1 | Debt Service       |
| <b>Revenues:</b>   |                    |                  |                               |                    |
| Taxes  | \$ 31,521,808      | \$ 2,784,574     | \$ 3,197,128                  | \$ -               |
| Licenses and permits   | 826,474            | -                | -                             | -                  |
| Intergovernmental  | 583,974            | 26,924           | 127,614                       | -                  |
| Charges for services   | 4,724,640          | 691,556          | 77,770                        | -                  |
| Fines and forfeitures  | 387,682            | -                | -                             | -                  |
| Use of money and property                                    | 39,722             | 133,590          | 115,512                       | 198,033            |
| Contributions  | -                  | 3,900            | -                             | -                  |
| Miscellaneous  | 437,185            | 4,574            | 8,701                         | -                  |
| <b>Total revenues</b>  | <b>38,521,485</b>  | <b>3,645,118</b> | <b>3,526,725</b>              | <b>198,033</b>     |
| <b>Expenditures:</b>   |                    |                  |                               |                    |
| <b>Current:</b>  |                    |                  |                               |                    |
| General government   | 2,322,864          | -                | -                             | -                  |
| Public safety  | 25,130,024         | -                | -                             | -                  |
| Public works   | 8,943,954          | -                | -                             | -                  |
| Economic development   | 1,104,562          | -                | 2,282,398                     | -                  |
| Culture and recreation                                       | -                  | 3,453,168        | -                             | -                  |
| Libraries  | -                  | -                | -                             | -                  |
| Capital outlay   | 487,626            | 348,980          | 313,696                       | -                  |
| <b>Debt Service:</b>   |                    |                  |                               |                    |
| Principal  | -                  | -                | -                             | 4,272,034          |
| Interest and fiscal agent fees                               | -                  | -                | 3,600                         | 3,362,482          |
| Bond issuance costs  | -                  | -                | -                             | 130,876            |
| <b>Total expenditures</b>                                    | <b>37,989,030</b>  | <b>3,802,148</b> | <b>2,599,694</b>              | <b>7,765,392</b>   |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | <b>532,455</b>     | <b>(157,030)</b> | <b>927,031</b>                | <b>(7,567,359)</b> |
| <b>Other financing sources (uses):</b>                       |                    |                  |                               |                    |
| Issuance of long-term debt                                   | -                  | -                | -                             | 10,195,358         |
| Premium on bond issuance                                     | -                  | -                | -                             | 784,282            |
| Payment to bond escrow agent                                 | -                  | -                | -                             | (9,862,838)        |
| Transfers in   | 255,092            | 221,950          | 75,000                        | 7,501,072          |
| Transfers out  | (325,000)          | -                | (2,391,072)                   | -                  |
| Proceeds from sale of capital assets                         | 441,000            | -                | -                             | -                  |
| <b>Total other financing<br/>sources (uses)</b>              | <b>371,092</b>     | <b>221,950</b>   | <b>(2,316,072)</b>            | <b>8,617,874</b>   |
| <b>Net change in fund balances</b>                           | <b>903,547</b>     | <b>64,920</b>    | <b>(1,389,041)</b>            | <b>1,050,515</b>   |
| Fund balances (deficits), beginning of year                  | 14,108,781         | 394,934          | (6,630,469)                   | 50,119             |
| Fund balances (deficits), end of year                        | \$ 15,012,328      | \$ 459,854       | \$ (8,019,510)                | \$ 1,100,634       |

See Notes to Basic Financial Statements.

City of Moline, Illinois

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2011

|   | Special Revenue                         |                   |                           |                     |
|---|---|-------------------|---------------------------|---------------------|
|   | Community<br>Development<br>Block Grant | Motor Fuel Tax    | Revolving Loan<br>Program | Tourism             |
| <b>Assets</b>   |   |                   |                           |                     |
| Cash and cash equivalents                                   | \$ 55,832                               | \$ 193,032        | \$ 170,774                | \$ 272,992          |
| Restricted cash and cash equivalents                        | -                                       | -                 | -                         | -                   |
| Investments   | -                                       | 455,104           | -                         | -                   |
| Receivables:  |   |                   |                           |                     |
| Property taxes  | -                                       | -                 | -                         | -                   |
| Accounts, net of allowance for<br>collection losses of none | -                                       | -                 | -                         | -                   |
| Accrued interest  | -                                       | -                 | -                         | -                   |
| Loans   | -                                       | -                 | 96,238                    | 22,000              |
| Other taxes   | -                                       | 179,406           | -                         | 58,918              |
| Due from other governmental units                           | 125,582                                 | -                 | -                         | -                   |
| Due from other funds  | -                                       | -                 | 35,212                    | -                   |
| Interfund advances  | -                                       | -                 | -                         | 469,110             |
| <b>Total assets</b>   | <b>\$ 181,414</b>                       | <b>\$ 827,542</b> | <b>\$ 302,224</b>         | <b>\$ 1,073,194</b> |
| <b>Liabilities and Fund Balances</b>                        |   |                   |                           |                     |
| Liabilities:  |   |                   |                           |                     |
| Accounts payable  | \$ 96,914                               | \$ 98,648         | \$ -                      | \$ 20,732           |
| Accrued expenses  | -                                       | -                 | -                         | -                   |
| Due to other funds  | -                                       | 28,166            | -                         | -                   |
| Deferred revenue  | 62,536                                  | -                 | -                         | -                   |
| Deposits  | -                                       | -                 | -                         | -                   |
| Line of credit  | -                                       | -                 | -                         | -                   |
| Interfund advances  | -                                       | -                 | -                         | -                   |
| <b>Total liabilities</b>                                    | <b>159,450</b>                          | <b>126,814</b>    | <b>-</b>                  | <b>20,732</b>       |
| Fund balances (deficits):                                   |   |                   |                           |                     |
| Nonspendable  | -                                       | -                 | 96,238                    | -                   |
| Restricted  | 21,964                                  | 700,728           | 205,986                   | 1,052,462           |
| Committed   | -                                       | -                 | -                         | -                   |
| Assigned  | -                                       | -                 | -                         | -                   |
| Unassigned  | -                                       | -                 | -                         | -                   |
| <b>Total fund balances (deficits)</b>                       | <b>21,964</b>                           | <b>700,728</b>    | <b>302,224</b>            | <b>1,052,462</b>    |
| <b>Total liabilities and fund<br/>balances</b>              | <b>\$ 181,414</b>                       | <b>\$ 827,542</b> | <b>\$ 302,224</b>         | <b>\$ 1,073,194</b> |

(Continued)

| Special Revenue                     |                                    |                           |                   |                               |
|-------------------------------------|------------------------------------|---------------------------|-------------------|-------------------------------|
| Special Service Area<br>Number Five | Special Service Area<br>Number Six | Foreign Fire<br>Insurance | General Trust     | Tax Increment<br>Financing #2 |
| \$ 43,452                           | \$ 194,766                         | \$ 69,394                 | \$ 502,540        | \$ -                          |
| -                                   | -                                  | -                         | -                 | -                             |
| -                                   | -                                  | -                         | -                 | -                             |
| 110,922                             | 238,792                            | -                         | -                 | 241,994                       |
| -                                   | -                                  | -                         | -                 | -                             |
| -                                   | -                                  | -                         | -                 | -                             |
| 2,326                               | -                                  | -                         | 31,280            | -                             |
| -                                   | -                                  | -                         | -                 | -                             |
| -                                   | -                                  | -                         | -                 | -                             |
| <u>\$ 156,700</u>                   | <u>\$ 433,558</u>                  | <u>\$ 69,394</u>          | <u>\$ 533,820</u> | <u>\$ 241,994</u>             |
| \$ 36,418                           | \$ 1,594                           | \$ -                      | \$ 45,226         | \$ 200                        |
| 128                                 | 644                                | -                         | -                 | -                             |
| -                                   | -                                  | -                         | -                 | 1,089,630                     |
| 80,400                              | 225,000                            | -                         | -                 | 240,840                       |
| -                                   | -                                  | -                         | -                 | -                             |
| -                                   | -                                  | -                         | -                 | 2,121,476                     |
| -                                   | -                                  | -                         | -                 | -                             |
| <u>116,946</u>                      | <u>227,238</u>                     | <u>-</u>                  | <u>45,226</u>     | <u>3,452,146</u>              |
| -                                   | -                                  | -                         | -                 | -                             |
| 39,754                              | 206,320                            | 69,394                    | 211,401           | -                             |
| -                                   | -                                  | -                         | 232,139           | -                             |
| -                                   | -                                  | -                         | 45,054            | -                             |
| -                                   | -                                  | -                         | -                 | (3,210,152)                   |
| <u>39,754</u>                       | <u>206,320</u>                     | <u>69,394</u>             | <u>488,594</u>    | <u>(3,210,152)</u>            |
| \$ 156,700                          | \$ 433,558                         | \$ 69,394                 | \$ 533,820        | \$ 241,994                    |

City of Moline, Illinois

Combining Balance Sheet (Continued)  
 Nonmajor Governmental Funds  
 December 31, 2011

|   | Special Revenue               |                               |                               |                   |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------|
|   | Tax Increment<br>Financing #6 | Tax Increment<br>Financing #3 | Tax Increment<br>Financing #4 | Library Trust     |
| <b>Assets</b>   |                               |                               |                               |                   |
| Cash and cash equivalents                                   | \$ -                          | \$ 4,192                      | \$ 32,272                     | \$ 238,846        |
| Restricted cash and cash equivalents                        | -                             | -                             | -                             | -                 |
| Investments   | -                             | -                             | -                             | -                 |
| Receivables:  |                               |                               |                               |                   |
| Property taxes  | -                             | 51,376                        | 254,566                       | -                 |
| Accounts, net of allowance for collection<br>losses of none | -                             | -                             | -                             | -                 |
| Accrued interest  | -                             | -                             | -                             | 4,864             |
| Loans   | -                             | -                             | -                             | -                 |
| Other taxes   | -                             | -                             | -                             | -                 |
| Due from other governmental units                           | -                             | -                             | -                             | -                 |
| Due from other funds  | -                             | -                             | -                             | -                 |
| Interfund advances  | -                             | -                             | -                             | -                 |
| <b>Total assets</b>   | <b>\$ -</b>                   | <b>\$ 55,568</b>              | <b>\$ 286,838</b>             | <b>\$ 243,710</b> |
| <b>Liabilities and Fund Balances</b>                        |                               |                               |                               |                   |
| Liabilities:  |                               |                               |                               |                   |
| Accounts payable  | \$ -                          | \$ -                          | \$ -                          | \$ 930            |
| Accrued expenses  | -                             | 98                            | -                             | -                 |
| Due to other funds  | 35,212                        | -                             | -                             | -                 |
| Deferred revenue  | -                             | 51,116                        | 150,000                       | -                 |
| Deposits  | -                             | -                             | -                             | -                 |
| Line of credit  | -                             | -                             | -                             | -                 |
| Interfund advances  | -                             | -                             | -                             | -                 |
| <b>Total liabilities</b>                                    | <b>35,212</b>                 | <b>51,214</b>                 | <b>150,000</b>                | <b>930</b>        |
| Fund balances (deficits):                                   |                               |                               |                               |                   |
| Nonspendable  | -                             | -                             | -                             | -                 |
| Restricted  | -                             | 4,354                         | 136,838                       | 242,780           |
| Committed   | -                             | -                             | -                             | -                 |
| Assigned  | -                             | -                             | -                             | -                 |
| Unassigned  | (35,212)                      | -                             | -                             | -                 |
| <b>Total fund balances (deficits)</b>                       | <b>(35,212)</b>               | <b>4,354</b>                  | <b>136,838</b>                | <b>242,780</b>    |
| <b>Total liabilities and fund<br/>balances</b>              | <b>\$ -</b>                   | <b>\$ 55,568</b>              | <b>\$ 286,838</b>             | <b>\$ 243,710</b> |

(Continued)

Special Revenue

| Perpetual Care    | Reher Art Gallery | Park and Cemetery<br>Gifts | Sanitation        | Home Buyer<br>Grant | Lead Hazard<br>Control Grant |
|-------------------|-------------------|----------------------------|-------------------|---------------------|------------------------------|
| \$ 237,080        | \$ 23,376         | \$ 194,334                 | \$ 184,576        | \$ -                | \$ -                         |
| -                 | -                 | -                          | -                 | -                   | -                            |
| -                 | -                 | -                          | 278,122           | -                   | -                            |
| 1,760             | -                 | -                          | 84,208            | -                   | -                            |
| -                 | -                 | 5,534                      | -                 | -                   | -                            |
| -                 | -                 | -                          | -                 | -                   | -                            |
| -                 | -                 | -                          | -                 | 50,796              | 374,460                      |
| -                 | -                 | -                          | -                 | -                   | -                            |
| <u>\$ 238,840</u> | <u>\$ 23,376</u>  | <u>\$ 199,868</u>          | <u>\$ 546,906</u> | <u>\$ 50,796</u>    | <u>\$ 374,460</u>            |
| \$ -              | \$ 480            | \$ 11,802                  | \$ 103,956        | \$ -                | \$ 91,636                    |
| -                 | -                 | -                          | 42,492            | -                   | -                            |
| -                 | -                 | -                          | -                 | 50,796              | 282,824                      |
| -                 | -                 | -                          | 297,896           | 796                 | 374,460                      |
| -                 | -                 | -                          | -                 | -                   | -                            |
| -                 | -                 | -                          | 431,602           | -                   | -                            |
| -                 | 480               | 11,802                     | 875,946           | 51,592              | 748,920                      |
| -                 | -                 | -                          | -                 | -                   | -                            |
| 238,840           | 22,896            | 188,066                    | -                 | -                   | -                            |
| -                 | -                 | -                          | -                 | -                   | -                            |
| -                 | -                 | -                          | -                 | -                   | -                            |
| -                 | -                 | -                          | (329,040)         | (796)               | (374,460)                    |
| <u>238,840</u>    | <u>22,896</u>     | <u>188,066</u>             | <u>(329,040)</u>  | <u>(796)</u>        | <u>(374,460)</u>             |
| \$ 238,840        | \$ 23,376         | \$ 199,868                 | \$ 546,906        | \$ 50,796           | \$ 374,460                   |

City of Moline, Illinois

Combining Balance Sheet (Continued)  
 Nonmajor Governmental Funds  
 December 31, 2011

|   | Special Revenue   |                                    |                     |                     |
|---|---|------------------------------------|---------------------|---------------------|
|   | Single Family<br>Owner Occupied<br>Rehabilitation Grant | Small Rental<br>Properties Program | Library             | NSP2 Grant Fund     |
| <b>Assets</b>   |   |                                    |                     |                     |
| Cash and cash equivalents                                   | \$ -  | \$ -                               | \$ 228,648          | \$ -                |
| Restricted cash and cash equivalents                        | -   | -                                  | -                   | -                   |
| Investments   | -   | -                                  | -                   | -                   |
| Receivables:  |   |                                    |                     |                     |
| Property taxes  | -   | -                                  | 2,775,676           | -                   |
| Accounts, net of allowance for collection<br>losses of none | -   | -                                  | -                   | -                   |
| Accrued interest  | -   | -                                  | -                   | -                   |
| Loans   | -   | -                                  | -                   | -                   |
| Other taxes   | -   | -                                  | -                   | -                   |
| Due from other governmental units                           | 40,882  | 72,772                             | -                   | 2,156,968           |
| Due from other funds  | -   | -                                  | -                   | -                   |
| Interfund advances  | -   | -                                  | -                   | -                   |
| <b>Total assets</b>   | <b>\$ 40,882</b>  | <b>\$ 72,772</b>                   | <b>\$ 3,004,324</b> | <b>\$ 2,156,968</b> |
| <b>Liabilities and Fund Balances</b>                        |   |                                    |                     |                     |
| Liabilities:  |   |                                    |                     |                     |
| Accounts payable  | \$ 29,840   | \$ 52,422                          | \$ 27,434           | \$ 588,265          |
| Accrued expenses  | -   | -                                  | 73,864              | -                   |
| Due to other funds  | 11,042  | 20,350                             | -                   | 1,610,706           |
| Deferred revenue  | 6,412   | -                                  | 2,670,610           | 634,134             |
| Deposits  | -   | -                                  | -                   | -                   |
| Line of credit  | -   | -                                  | -                   | -                   |
| Interfund advances  | -   | -                                  | -                   | -                   |
| <b>Total liabilities</b>                                    | <b>47,294</b>   | <b>72,772</b>                      | <b>2,771,908</b>    | <b>2,833,105</b>    |
| Fund balances (deficits):                                   |   |                                    |                     |                     |
| Nonspendable  | -   | -                                  | -                   | -                   |
| Restricted  | -   | -                                  | 232,416             | -                   |
| Committed   | -   | -                                  | -                   | -                   |
| Assigned  | -   | -                                  | -                   | -                   |
| Unassigned  | (6,412)   | -                                  | -                   | (676,137)           |
| <b>Total fund balances (deficits)</b>                       | <b>(6,412)</b>  | <b>-</b>                           | <b>232,416</b>      | <b>(676,137)</b>    |
| <b>Total liabilities and fund<br/>balances</b>              | <b>\$ 40,882</b>  | <b>\$ 72,772</b>                   | <b>\$ 3,004,324</b> | <b>\$ 2,156,968</b> |

Special Revenue

| Tax Increment<br>Financing #5 | Tax Increment<br>Financing #7 | Tax Increment<br>Financing #8 | Tax Increment<br>Financing #9 | Capital Projects    | Totals               |
|-------------------------------|-------------------------------|-------------------------------|-------------------------------|---------------------|----------------------|
| \$ 7,914                      | \$ -                          | \$ -                          | \$ 28,002                     | \$ 608,446          | \$ 3,290,468         |
| -                             | 5,784,200                     | -                             | -                             | -                   | 5,784,200            |
| -                             | -                             | -                             | -                             | 299,454             | 1,004,732            |
| 32,110                        | 17,306                        | -                             | -                             | 108,694             | 4,109,558            |
| -                             | -                             | -                             | -                             | -                   | 85,968               |
| -                             | 1,990                         | -                             | -                             | 11,390              | 23,778               |
| -                             | -                             | -                             | -                             | -                   | 118,238              |
| -                             | -                             | -                             | -                             | 1,353,414           | 1,625,344            |
| -                             | -                             | -                             | -                             | -                   | 2,821,460            |
| -                             | -                             | -                             | -                             | -                   | 504,322              |
| -                             | -                             | -                             | -                             | 431,602             | 431,602              |
| <u>\$ 40,024</u>              | <u>\$ 5,803,496</u>           | <u>\$ -</u>                   | <u>\$ 28,002</u>              | <u>\$ 2,813,000</u> | <u>\$ 19,799,670</u> |
| \$ -                          | \$ -                          | \$ -                          | \$ -                          | \$ 17,066           | \$ 1,223,563         |
| -                             | -                             | -                             | -                             | -                   | 117,226              |
| -                             | -                             | 2,850                         | -                             | -                   | 3,131,576            |
| 32,110                        | 17,306                        | -                             | -                             | 550,492             | 5,394,108            |
| -                             | -                             | -                             | -                             | 11,160              | 11,160               |
| -                             | -                             | -                             | -                             | -                   | 2,121,476            |
| -                             | -                             | -                             | -                             | -                   | 431,602              |
| <u>32,110</u>                 | <u>17,306</u>                 | <u>2,850</u>                  | <u>-</u>                      | <u>578,718</u>      | <u>12,430,711</u>    |
| -                             | -                             | -                             | -                             | 431,602             | 527,840              |
| 7,914                         | 5,786,190                     | -                             | 28,002                        | -                   | 9,396,305            |
| -                             | -                             | -                             | -                             | 1,802,680           | 2,034,819            |
| -                             | -                             | -                             | -                             | -                   | 45,054               |
| -                             | -                             | (2,850)                       | -                             | -                   | (4,635,059)          |
| <u>7,914</u>                  | <u>5,786,190</u>              | <u>(2,850)</u>                | <u>28,002</u>                 | <u>2,234,282</u>    | <u>7,368,959</u>     |
| <u>\$ 40,024</u>              | <u>\$ 5,803,496</u>           | <u>\$ -</u>                   | <u>\$ 28,002</u>              | <u>\$ 2,813,000</u> | <u>\$ 19,799,670</u> |

City of Moline, Illinois

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)  
Nonmajor Governmental Funds  
Year Ended December 31, 2011**

|  | Special Revenue                         |  |                    |                           |
|--|---|--|--------------------|---------------------------|
|  | Community<br>Development<br>Block Grant | Community<br>Development Block<br>Grant Recovery | Motor Fuel Tax     | Revolving Loan<br>Program |
| <b>Revenues:</b>   |   |  |                    |                           |
| Taxes  | \$ -                                    | \$ -   | \$ -               | \$ -                      |
| Intergovernmental  | 673,834                                 | 61,339   | 1,269,148          | -                         |
| Charges for services   | -                                       | -  | -                  | -                         |
| Fines and forfeitures  | -                                       | -  | -                  | -                         |
| Use of money and property                                    | 1,236                                   | -  | 902                | 4,543                     |
| Contributions  | -                                       | -  | -                  | -                         |
| Miscellaneous  | 902                                     | -  | 10,335             | -                         |
| <b>Total revenues</b>  | <b>675,972</b>                          | <b>61,339</b>                                    | <b>1,280,385</b>   | <b>4,543</b>              |
| <b>Expenditures:</b>   |   |  |                    |                           |
| <b>Current:</b>  |   |  |                    |                           |
| General government   | -                                       | -  | -                  | -                         |
| Public works   | -                                       | -  | -                  | -                         |
| Economic development   | 611,786                                 | 46,338   | -                  | -                         |
| Culture and recreation                                       | -                                       | -  | -                  | -                         |
| Libraries  | -                                       | -  | -                  | -                         |
| Capital outlay   | -                                       | -  | 2,777,008          | -                         |
| <b>Debt service:</b>   |   |  |                    |                           |
| Interest and fiscal charges                                  | -                                       | -  | -                  | -                         |
| Bond issuance costs  | -                                       | -  | -                  | -                         |
| <b>Total expenditures</b>                                    | <b>611,786</b>                          | <b>46,338</b>                                    | <b>2,777,008</b>   | <b>-</b>                  |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | <b>64,186</b>                           | <b>15,001</b>                                    | <b>(1,496,623)</b> | <b>4,543</b>              |
| <b>Other financing sources (uses):</b>                       |   |  |                    |                           |
| Issuance of long-term debt                                   | -                                       | -  | -                  | -                         |
| Premium on bond issuance                                     | -                                       | -  | -                  | -                         |
| Transfers in   | -                                       | -  | -                  | -                         |
| Transfers out  | (275,348)                               | -  | -                  | -                         |
| <b>Total other financing<br/>sources (uses)</b>              | <b>(275,348)</b>                        | <b>-</b>   | <b>-</b>           | <b>-</b>                  |
| <b>Net change in fund balances</b>                           | <b>(211,162)</b>                        | <b>15,001</b>                                    | <b>(1,496,623)</b> | <b>4,543</b>              |
| Fund balances (deficits), beginning of year                  | 233,126                                 | (15,001)   | 2,197,351          | 297,681                   |
| Fund balances (deficits), end of year                        | \$ 21,964                               | \$ -   | \$ 700,728         | \$ 302,224                |

(Continued)

Special Revenue

| Tourism      | Special Service Area<br>Number Three | Special Service Area<br>Number Five | Special Service Area<br>Number Six | Foreign Fire<br>Insurance | General Trust |
|--------------|--------------------------------------|-------------------------------------|------------------------------------|---------------------------|---------------|
| \$ 882,974   | \$ -                                 | \$ 109,292                          | \$ 225,010                         | \$ 50,030                 | \$ 200,688    |
| -            | -                                    | -                                   | -                                  | -                         | 80            |
| -            | -                                    | -                                   | -                                  | -                         | -             |
| 772          | 10                                   | 18                                  | 54                                 | 8                         | 56            |
| -            | -                                    | -                                   | -                                  | -                         | 377,350       |
| 6            | -                                    | 16                                  | 16                                 | -                         | 21,098        |
| 883,752      | 10                                   | 109,326                             | 225,080                            | 50,038                    | 599,272       |
| -            | -                                    | -                                   | -                                  | 27,040                    | 479,040       |
| 304,524      | -                                    | 108,105                             | 76,911                             | -                         | -             |
| -            | -                                    | -                                   | -                                  | -                         | -             |
| -            | -                                    | -                                   | -                                  | -                         | -             |
| -            | -                                    | -                                   | -                                  | -                         | -             |
| 304,524      | -                                    | 108,105                             | 76,911                             | 27,040                    | 479,040       |
| 579,228      | 10                                   | 1,221                               | 148,169                            | 22,998                    | 120,232       |
| -            | -                                    | -                                   | -                                  | -                         | -             |
| -            | -                                    | -                                   | -                                  | -                         | -             |
| (326,972)    | (232,754)                            | -                                   | -                                  | -                         | -             |
| (326,972)    | (232,754)                            | -                                   | -                                  | -                         | -             |
| 252,256      | (232,744)                            | 1,221                               | 148,169                            | 22,998                    | 120,232       |
| 800,206      | 232,744                              | 38,533                              | 58,151                             | 46,396                    | 368,362       |
| \$ 1,052,462 | \$ -                                 | \$ 39,754                           | \$ 206,320                         | \$ 69,394                 | \$ 488,594    |

City of Moline, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)  
 Nonmajor Governmental Funds (Continued)  
 Year Ended December 31, 2011

|  | Special Revenue               |                               |                               |                               |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
|  | Tax Increment<br>Financing #2 | Tax Increment<br>Financing #6 | Tax Increment<br>Financing #3 | Tax Increment<br>Financing #4 |
| <b>Revenues:</b>   |                               |                               |                               |                               |
| Taxes  | \$ 194,006                    | \$ -                          | \$ 53,578                     | \$ 192,544                    |
| Intergovernmental  | -                             | -                             | -                             | -                             |
| Charges for services   | -                             | -                             | -                             | -                             |
| Fines and forfeitures  | -                             | -                             | -                             | -                             |
| Use of money and property                                    | 34                            | -                             | 11                            | 56                            |
| Contributions  | -                             | -                             | -                             | -                             |
| Miscellaneous  | -                             | 9                             | -                             | -                             |
| <b>Total revenues</b>  | <b>194,040</b>                | <b>9</b>                      | <b>53,589</b>                 | <b>192,600</b>                |
| <b>Expenditures:</b>   |                               |                               |                               |                               |
| <b>Current:</b>  |                               |                               |                               |                               |
| General government   | -                             | -                             | -                             | -                             |
| Public works   | -                             | -                             | -                             | -                             |
| Economic development   | 2,448,564                     | -                             | 50,374                        | 189,590                       |
| Culture and recreation                                       | -                             | -                             | -                             | -                             |
| Libraries  | -                             | -                             | -                             | -                             |
| Capital outlay   | -                             | -                             | -                             | -                             |
| <b>Debt service:</b>   |                               |                               |                               |                               |
| Interest and fiscal charges                                  | -                             | -                             | -                             | -                             |
| Bond issuance costs  | -                             | -                             | -                             | -                             |
| <b>Total expenditures</b>                                    | <b>2,448,564</b>              | <b>-</b>                      | <b>50,374</b>                 | <b>189,590</b>                |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | <b>(2,254,524)</b>            | <b>9</b>                      | <b>3,215</b>                  | <b>3,010</b>                  |
| <b>Other financing sources (uses):</b>                       |                               |                               |                               |                               |
| Issuance of long-term debt                                   | -                             | -                             | -                             | -                             |
| Premium on bond issuance                                     | -                             | -                             | -                             | -                             |
| Transfers in   | -                             | -                             | -                             | -                             |
| Transfers out  | (286,628)                     | -                             | -                             | -                             |
| <b>Total other financing<br/>sources (uses)</b>              | <b>(286,628)</b>              | <b>-</b>                      | <b>-</b>                      | <b>-</b>                      |
| <b>Net change in fund balances</b>                           | <b>(2,541,152)</b>            | <b>9</b>                      | <b>3,215</b>                  | <b>3,010</b>                  |
| Fund balances (deficits), beginning of year                  | (669,000)                     | (35,221)                      | 1,139                         | 133,828                       |
| Fund balances (deficits), end of year                        | \$ (3,210,152)                | \$ (35,212)                   | \$ 4,354                      | \$ 136,838                    |

(Continued)

Special Revenue

| Library Trust     | Perpetual Care    | Reher Art Gallery | Park and Cemetery<br>Gifts | Sanitation          | Home Buyer<br>Grant |
|-------------------|-------------------|-------------------|----------------------------|---------------------|---------------------|
| \$ -              | \$ -              | \$ -              | \$ -                       | \$ 1,341,738        | \$ -                |
| -                 | -                 | -                 | -                          | 32,720              | 224,290             |
| -                 | -                 | -                 | -                          | 869,270             | -                   |
| 16,036            | 68                | 5                 | 6,764                      | 56                  | -                   |
| 85,658            | -                 | -                 | 22,376                     | 800                 | -                   |
| -                 | 13,007            | -                 | -                          | 119,618             | -                   |
| <u>101,694</u>    | <u>13,075</u>     | <u>5</u>          | <u>29,140</u>              | <u>2,364,202</u>    | <u>224,290</u>      |
| -                 | -                 | -                 | -                          | -                   | -                   |
| -                 | -                 | -                 | -                          | 2,182,908           | -                   |
| -                 | -                 | 28,182            | 45,086                     | -                   | 211,523             |
| 149,865           | -                 | -                 | -                          | -                   | -                   |
| -                 | -                 | -                 | 24,804                     | -                   | -                   |
| -                 | -                 | -                 | -                          | 15,786              | -                   |
| <u>149,865</u>    | <u>-</u>          | <u>28,182</u>     | <u>69,890</u>              | <u>2,198,694</u>    | <u>211,523</u>      |
| (48,171)          | 13,075            | (28,177)          | (40,750)                   | 165,508             | 12,767              |
| -                 | -                 | -                 | -                          | -                   | -                   |
| -                 | -                 | 13,766            | -                          | 28,714              | -                   |
| (13,766)          | (70)              | -                 | -                          | -                   | -                   |
| <u>(13,766)</u>   | <u>(70)</u>       | <u>13,766</u>     | <u>-</u>                   | <u>28,714</u>       | <u>-</u>            |
| (61,937)          | 13,005            | (14,411)          | (40,750)                   | 194,222             | 12,767              |
| 304,717           | 225,835           | 37,307            | 228,816                    | (523,262)           | (13,563)            |
| <u>\$ 242,780</u> | <u>\$ 238,840</u> | <u>\$ 22,896</u>  | <u>\$ 188,066</u>          | <u>\$ (329,040)</u> | <u>\$ (796)</u>     |

City of Moline, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)  
 Nonmajor Governmental Funds (Continued)  
 Year Ended December 31, 2011

|  | Special Revenue              |  |                                    |                  |
|--|------------------------------|--|------------------------------------|------------------|
|  | Lead Hazard<br>Control Grant | Single Family                          |                                    | Library          |
|  |                              | Owner Occupied<br>Rehabilitation Grant | Small Rental<br>Properties Program |                  |
| <b>Revenues:</b>   |                              |  |                                    |                  |
| Taxes  | \$ -                         | \$ -                                   | \$ -                               | \$ 2,690,528     |
| Intergovernmental  | 639,196                      | 73,726                                 | 129,088                            | 44,790           |
| Charges for services   | -                            | -                                      | -                                  | 29,878           |
| Fines and forfeitures  | -                            | -                                      | -                                  | 58,568           |
| Use of money and property                                    | -                            | -                                      | -                                  | 48               |
| Contributions  | -                            | -                                      | -                                  | -                |
| Miscellaneous  | -                            | -                                      | -                                  | 12,687           |
| <b>Total revenues</b>  | <b>639,196</b>               | <b>73,726</b>                          | <b>129,088</b>                     | <b>2,836,499</b> |
| <b>Expenditures:</b>   |                              |  |                                    |                  |
| Current:   |                              |  |                                    |                  |
| General government   | -                            | -                                      | -                                  | -                |
| Public works   | -                            | -                                      | -                                  | -                |
| Economic development   | 971,975                      | 36,300                                 | 119,586                            | -                |
| Culture and recreation                                       | -                            | -                                      | -                                  | -                |
| Libraries  | -                            | -                                      | -                                  | -                |
| Capital outlay   | -                            | -                                      | -                                  | 2,877,052        |
| Debt service:  |                              |  |                                    |                  |
| Interest and fiscal charges                                  | -                            | -                                      | -                                  | -                |
| Bond issuance costs  | -                            | -                                      | -                                  | -                |
| <b>Total expenditures</b>                                    | <b>971,975</b>               | <b>36,300</b>                          | <b>119,586</b>                     | <b>2,877,052</b> |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | <b>(332,779)</b>             | <b>37,426</b>                          | <b>9,502</b>                       | <b>(40,553)</b>  |
| <b>Other financing sources (uses):</b>                       |                              |  |                                    |                  |
| Issuance of long-term debt                                   | -                            | -                                      | -                                  | -                |
| Premium on bond issuance                                     | -                            | -                                      | -                                  | -                |
| Transfers in   | -                            | -                                      | -                                  | -                |
| Transfers out  | -                            | -                                      | -                                  | -                |
| <b>Total other financing<br/>sources (uses)</b>              | <b>-</b>                     | <b>-</b>                               | <b>-</b>                           | <b>-</b>         |
| <b>Net change in fund balances</b>                           | <b>(332,779)</b>             | <b>37,426</b>                          | <b>9,502</b>                       | <b>(40,553)</b>  |
| Fund balances (deficits), beginning of year                  | (41,681)                     | (43,838)                               | (9,502)                            | 272,969          |
| Fund balances (deficits), end of year                        | \$ (374,460)                 | \$ (6,412)                             | \$ -                               | \$ 232,416       |

Special Revenue

| NSP2 Grant   | Tax Increment Financing #5 | Tax Increment Financing #7 | Tax Increment Financing #8 | Tax Increment Financing #9 | Capital Projects | Totals        |
|--------------|----------------------------|----------------------------|----------------------------|----------------------------|------------------|---------------|
| \$ -         | \$ -                       | \$ -                       | \$ -                       | \$ -                       | \$ 6,165,358     | \$ 12,105,746 |
| 2,494,286    | -                          | -                          | -                          | -                          | 75,000           | 5,717,497     |
| -            | -                          | -                          | -                          | -                          | 10,710           | 909,858       |
| -            | -                          | 4,328                      | -                          | 2                          | 17,112           | 58,568        |
| -            | 9,319                      | -                          | -                          | -                          | -                | 52,119        |
| -            | -                          | -                          | -                          | 28,000                     | -                | 486,184       |
| 2,494,286    | 9,319                      | 4,328                      | -                          | 28,002                     | -                | 215,013       |
|              |                            |                            |                            |                            | 6,268,180        | 19,544,985    |
| -            | -                          | -                          | -                          | -                          | -                | 506,080       |
| 2,962,097    | -                          | 726,695                    | 2,850                      | -                          | -                | 2,182,908     |
| -            | -                          | -                          | -                          | -                          | -                | 8,867,218     |
| -            | -                          | -                          | -                          | -                          | -                | 73,268        |
| 34,482       | -                          | -                          | -                          | -                          | -                | 3,026,917     |
| -            | -                          | -                          | -                          | -                          | 2,386,842        | 5,223,136     |
| -            | -                          | -                          | -                          | -                          | 3,100            | 18,886        |
| -            | -                          | 162,856                    | -                          | -                          | -                | 162,856       |
| 2,996,579    | -                          | 889,551                    | 2,850                      | -                          | 2,389,942        | 20,061,269    |
| (502,293)    | 9,319                      | (885,223)                  | (2,850)                    | 28,002                     | 3,878,238        | (516,284)     |
| -            | -                          | 6,624,642                  | -                          | -                          | -                | 6,624,642     |
| -            | -                          | 46,771                     | -                          | -                          | -                | 46,771        |
| -            | -                          | -                          | -                          | -                          | -                | 42,480        |
| -            | -                          | -                          | -                          | -                          | (4,215,270)      | (5,350,808)   |
| -            | -                          | 6,671,413                  | -                          | -                          | (4,215,270)      | 1,363,085     |
| (502,293)    | 9,319                      | 5,786,190                  | (2,850)                    | 28,002                     | (337,032)        | 846,801       |
| (173,844)    | (1,405)                    | -                          | -                          | -                          | 2,571,314        | 6,522,158     |
| \$ (676,137) | \$ 7,914                   | \$ 5,786,190               | \$ (2,850)                 | \$ 28,002                  | \$ 2,234,282     | \$ 7,368,959  |

**ATTACHMENT L**

**CERTIFIED AUDIT REPORT**

Following is the Section "Q" compliance letter dated May 30, 2012 for fiscal year 2011.



**Independent Auditor's Report on  
Compliance with Illinois Municipal Code  
Subsection (Q) Section 11-74.4-3 of Public Act 85-1142**

To the Honorable Mayor and  
Members of the City Council  
City of Moline, Illinois  
Moline, Illinois

We have audited the basic financial statements of the City of Moline, Illinois, as of and for the year ended December 31, 2011 and have issued our report thereon dated May 30, 2012. These financial statements are the responsibility of the City of Moline, Illinois' management. Our responsibility is to express an opinion on the eligibility of expenditures pursuant to subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Compliance with laws, regulations, contracts and grants applicable to the City of Moline, Illinois is the responsibility of the City of Moline, Illinois' management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the City of Moline, Illinois' compliance with provisions of subsection (q) of Section 11-74.4-3 of Public Act 85-1142. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance with subsection (q) of Section 11-74.4-3 of Public Act 85-1142.

This report is intended for the information of the Mayor and City Council, management and appropriate regulatory or oversight agencies and is not intended to be and should not be used by anyone other than the specified parties.

*McGladrey LLP*

Davenport, Iowa  
May 30, 2012

TIF 2  
INTERGOVERNMENTAL AGREEMENTS

The City of Moline entered into an intergovernmental agreement (Resolution 1221-2010) with Moline School District #40 in order to extend the termination date of One Moline Place TIF by 12 years. The terms of the agreement stated the City:

Would increase its share of the cost of the police liaison program from 44% - 55%;

Would not decrease the number of crossing guards;

Shall sell 100 tons of salt to the school district at half the City's purchase price until 2022;

Would reimburse the school district any rate increase over 2010 levels for water, sewer, and storm water fees at any school that is attended by children living in Phase 1 of One Moline Place from 2010 to 2022; and

Will provide free construction inspection fees for John Deere and Wilson middle schools in 2010 and 2011.

The City sold the school district 84.14 tons of salt for \$3,187.56 discounting \$3,187.56 from the City's purchase price of \$6,375.12.